House of Representatives

General Assembly

File No. 11

January Session, 2009

Substitute House Bill No. 5673

House of Representatives, February 24, 2009

The Committee on Insurance and Real Estate reported through REP. FONTANA, S. of the 87th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR WIGS FOR INDIVIDUALS WITH HAIR LOSS DUE TO A DIAGNOSED MEDICAL CONDITION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 38a-504 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2010*):

(a) Each insurance company, hospital service corporation, medical service corporation, health care center or fraternal benefit society **[**which**]** that delivers**,** **[**or**]** issues for delivery, renews, amends or continues in this state individual health insurance policies providing coverage of the type specified in subdivisions (1), (2), (4), (10), (11) and (12) of section 38a-469, shall provide coverage under such policies for the surgical removal of tumors and treatment of leukemia, including outpatient chemotherapy, reconstructive surgery, cost of any nondental prosthesis including any maxillo-facial prosthesis used to replace anatomic structures lost during treatment for head and neck

tumors or additional appliances essential for the support of such prosthesis, outpatient chemotherapy following surgical procedure in connection with the treatment of tumors, and a wig if prescribed by (1) a licensed oncologist for a patient who suffers hair loss as a result of chemotherapy, or (2) a licensed physician or a licensed advanced practice registered nurse for a patient who suffers hair loss due to a diagnosed medical condition other than androgenetic alopecia. Such benefits shall be subject to the same terms and conditions applicable to all other benefits under such policies.

(b) Except as provided in subsection (c) of this section, the coverage required by subsection (a) of this section shall provide at least a yearly benefit of five hundred dollars for the surgical removal of tumors, five hundred dollars for reconstructive surgery, five hundred dollars for outpatient chemotherapy, three hundred fifty dollars for a wig and three hundred dollars for a nondental prosthesis, except that for purposes of the surgical removal of breasts due to tumors the yearly benefit for such prosthesis shall be at least three hundred dollars for each breast removed.

(c) The coverage required by subsection (a) of this section shall provide benefits for the reasonable costs of reconstructive surgery on each breast on which a mastectomy has been performed, and reconstructive surgery on a nondiseased breast to produce a symmetrical appearance. Such benefits shall be subject to the same terms and conditions applicable to all other benefits under such policies. For the purposes of this subsection, reconstructive surgery includes, but is not limited to, augmentation mammoplasty, reduction mammoplasty and mastopexy.

Sec. 2. Section 38a-542 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2010*):

(a) Each insurance company, hospital service corporation, medical service corporation, health care center or fraternal benefit society **[**which**]** that delivers, **[**or**]** issues for delivery, renews, amends or continues in this state group health insurance policies providing

coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 shall provide coverage under such policies for treatment of leukemia, including outpatient chemotherapy, reconstructive surgery, cost of any nondental prosthesis, including any maxillo-facial prosthesis used to replace anatomic structures lost during treatment for head and neck tumors or additional appliances essential for the support of such prosthesis, outpatient chemotherapy following surgical procedures in connection with the treatment of tumors, a wig if prescribed by (1) a licensed oncologist for a patient who suffers hair loss as a result of chemotherapy, or (2) a licensed physician or a licensed advanced practice registered nurse for a patient who suffers hair loss due to a diagnosed medical condition other than androgenetic alopecia, and costs of removal of any breast implant which was implanted on or before July 1, 1994, without regard to the purpose of such implantation, which removal is determined to be medically necessary. Such benefits shall be subject to the same terms and conditions applicable to all other benefits under such policies.

(b) Except as provided in subsection (c) of this section, the coverage required by subsection (a) of this section shall provide at least a yearly benefit of one thousand dollars for the costs of removal of any breast implant, five hundred dollars for the surgical removal of tumors, five hundred dollars for reconstructive surgery, five hundred dollars for outpatient chemotherapy, three hundred fifty dollars for a wig and three hundred dollars for a nondental prosthesis, except that for purposes of the surgical removal of breasts due to tumors the yearly benefit for such prosthesis shall be at least three hundred dollars for each breast removed.

(c) The coverage required by subsection (a) of this section shall provide benefits for the reasonable costs of reconstructive surgery on each breast on which a mastectomy has been performed, and reconstructive surgery on a nondiseased breast to produce a symmetrical appearance. Such benefits shall be subject to the same terms and conditions applicable to all other benefits under such policies. For the purposes of this subsection, reconstructive surgery

includes, but is not limited to, augmentation mammoplasty, reduction mammoplasty and mastopexy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*January 1, 2010*	38a-504
Sec. 2	*January 1, 2010*	38a-542

INS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 $	FY 11 $
State Comptroller - Fringe Benefits	All Funds - Cost	650,000	1,300,00

Municipal Impact:

Municipalities	Effect	FY 10 $	FY 11 $
Various Municipalities	STATE MANDATE - Potential Cost	Potential	Potential

Explanation

The expanded coverage of wigs for individuals with hair loss caused by a diagnosed medical condition (other than following chemotherapy) is not provided under the current state employee plans. The bill expands coverage to any prescribed wig for patients suffering hair loss due to a medical condition other than androgenetic alopecia (e.g., male-patterned baldness). There are a significant number of medical conditions that can cause either temporary or permanent hair loss. As a result it estimated that there would be a $1,300,000 annual cost associated with the expanded coverage of wigs mandated by the bill.

The bill may impact municipalities that have fully insured health plans and do not currently cover wigs for hair loss as required by the bill. The coverage requirements effective January 1, 2010 may result in increased premium costs when municipalities enter into new contracts for health insurance. Due to federal law, municipalities with self-insured health plans are exempt from state health insurance benefit mandates.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: Office of the State Comptroller, Municipal Employees Health Insurance Plan (MEHIP) Schedule of Benefits, State Employee Health Plan Subscriber Agreement, WebMD.

OLR Bill Analysis

sHB 5673

AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR WIGS FOR INDIVIDUALS WITH HAIR LOSS DUE TO A DIAGNOSED MEDICAL CONDITION.

SUMMARY:

This bill expands current law regarding health insurance coverage for wigs. By law, certain health insurance policies must provide coverage for an oncologist-prescribed wig for a person with hair loss resulting from chemotherapy. The coverage must be subject to the same terms and conditions applicable to all other policy benefits, but be at least a yearly benefit of $350. The bill requires that the coverage also include a licensed physician- or advanced practice registered nurse-prescribed wig for a person with hair loss caused by a diagnosed medical condition, except androgenetic alopecia (e.g., male-pattern baldness).

The bill applies certain insurance coverage requirements (i.e., treatment of tumors and leukemia, reconstructive surgery, nondental prosthesis, chemotherapy, and wigs for chemotherapy patients) to policies renewed, amended, or continued in Connecticut. By law, the requirements apply to policies issued or delivered in the state.

The bill also makes technical changes.

EFFECTIVE DATE: January 1, 2010

APPLICABILITY OF WIG COVERAGE REQUIREMENT

The bill's wig coverage requirement applies to each insurer, hospital or medical service corporation, HMO, or fraternal benefit society that delivers, issues, renews, amends, or continues in Connecticut, on and after January 1, 2010, (1) individual or group health insurance policies

that cover (a) basic hospital expenses; (b) basic medical-surgical expenses; (c) major medical expenses; and (d) hospital or medical services, including coverage under an HMO plan, and (2) individual health insurance policies that provide limited benefit health coverage.

COVERAGE FOR TREATMENT OF TUMORS AND LEUKEMIA, RECONSTRUCTIVE SURGERY, NONDENTAL PROSTHESIS, CHEMOTHERAPY, AND WIGS

The bill requires certain health insurance policies renewed, amended, or continued in Connecticut to provide coverage for:

1. surgical removal of tumors and outpatient chemotherapy following the surgery;

2. treatment of leukemia, including outpatient chemotherapy;

3. reconstructive surgery, including reconstructive surgery (such as augmentation or reduction mammoplasty and mastopexy) on a breast on which a mastectomy was performed and a nondiseased breast for symmetry;

4. nondental prosthesis, including any maxillo-facial prosthesis used to replace anatomic structures lost during treatment for head and neck tumors or additional appliances essential for the support of such a prosthesis; and

5. an oncologist-prescribed wig for a patient with hair loss resulting from chemotherapy.

Coverage must be subject to the same terms and conditions applicable to other benefits under the policy. But the policy must provide at least a yearly benefit of $500 for the surgical removal of tumors, $500 for reconstructive surgery, $500 for outpatient chemotherapy, $350 for a wig, and $300 for a nondental prosthesis, unless the prosthesis is due to the surgical removal of breasts because of tumors, in which case the yearly benefit must be at least $300 for each breast.

By law, policies issued or delivered in Connecticut must include these benefits.

Applicability

The bill applies the coverage requirements to each insurer, hospital or medical service corporation, HMO, or fraternal benefit society that renews, amends, or continues in Connecticut, on and after January 1, 2010, (1) individual or group health insurance policies that cover (a) basic hospital expenses; (b) basic medical-surgical expenses; (c) major medical expenses; and (d) hospital or medical services, including coverage under an HMO plan, and (2) individual health insurance policies that provide limited benefit health coverage.

BACKGROUND

Self-Insured Benefit Plans

Due to federal law (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute
Yea 14 Nay 5 (02/10/2009)